

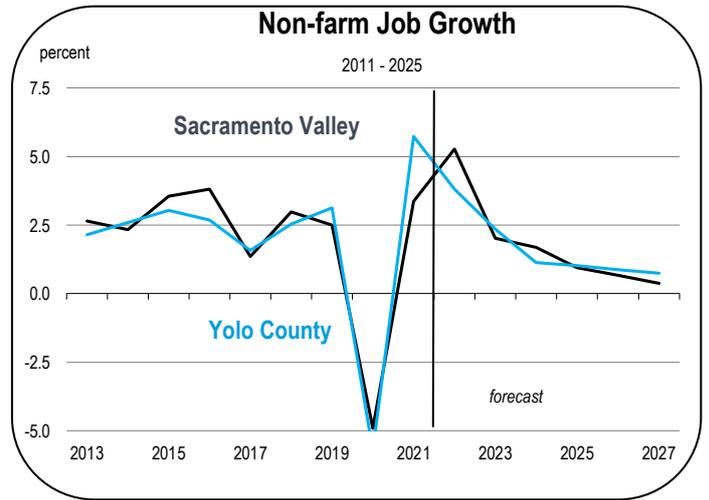
Yolo County Economic Forecast

Forecast Summary

- Nearly 6,000 jobs were restored in Yolo County during 2021. Between 4,000 and 5,000 jobs are forecast to be created during 2022.
- Employment gains in 2022 will be led by state and local government and leisure services, contributing nearly 2,000 new jobs.
- More than 300 jobs will also be added by the transportation & warehousing sector.
- The unemployment rate averaged 5.8 percent in 2021. It is expected to average 3.4 percent in 2022.
- The Yolo County population will grow more slowly than the average for the greater Sacramento Valley region, but faster than most of coastal California.
- More homes will be built over the forecast period than were built during the previous five years.
- Home prices increased sharply in 2021, rising by 17 percent. Price appreciation has slowed in 2022 and will slow further in 2023.

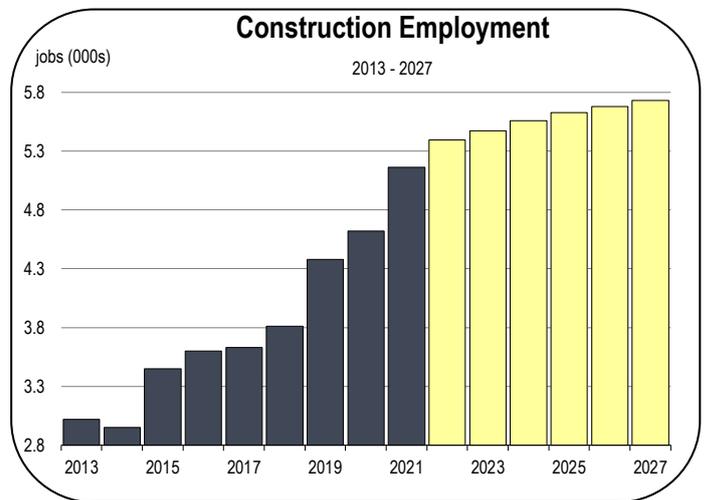
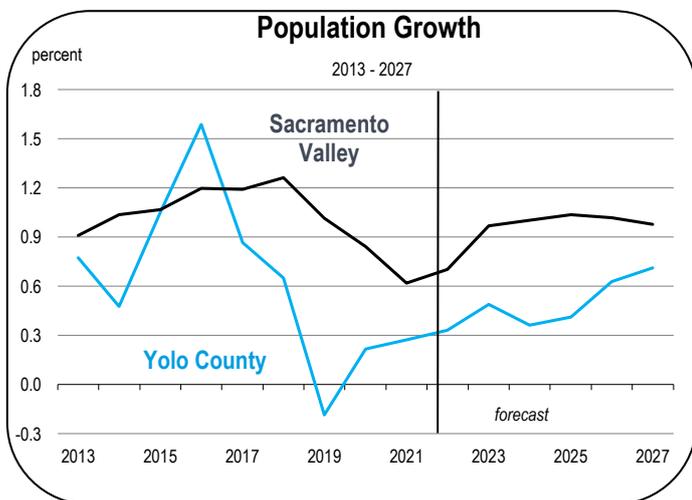
Job Growth

- Total employment in Yolo County will rise 3.8 percent in 2022, translating into a gain of 4,400 jobs.
- Between 2022 and 2027, job growth will average 1.8 percent.

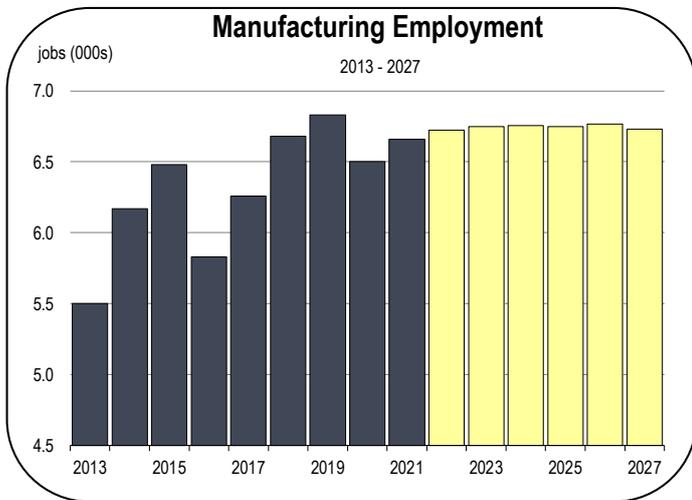


Construction Employment

- Employment in the construction has been steadily rising since 2014 as more housing projects have been approved and started in the county.
- Over the next 5 years, hundreds of new units will be underway in Yolo County. Employment within the construction trades is forecast to expand through 2024 or beyond.



Yolo County Economic Forecast



Manufacturing Employment

- Yolo County has a heavy concentration in food and beverage manufacturing, which consists of turning agricultural commodities into finished food products.
- Approximately 10 percent of the industry is in transportation equipment manufacturing, largely consisting of firms that work with the transportation researchers at U.C. Davis.
- The county is increasingly becoming a hub for biotech manufacturing, also because of its proximity to researchers at U.C. Davis.
- Prominent manufacturing companies include:
 - NorCal Beverage Company, producers of vending machines
 - Beckman Coulter, Inc, makers of surgical products
 - Pacific Coast Producers, fruit and vegetable canning
 - Clark Pacific, manufacturers of concrete products
 - Pro Farm Group, makers of biological products for crop production

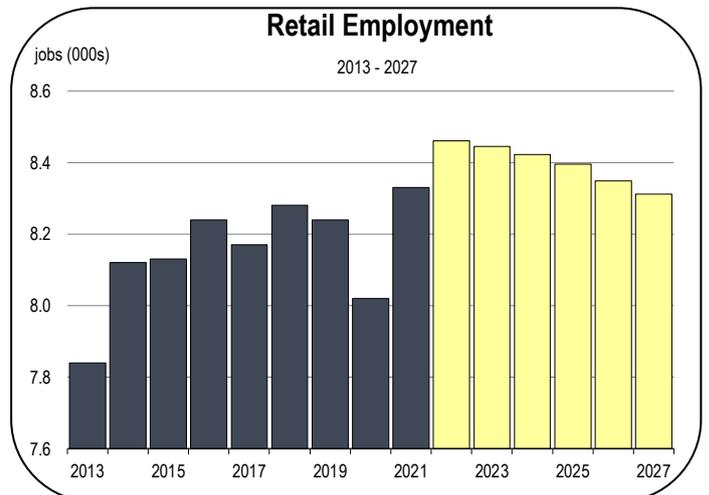
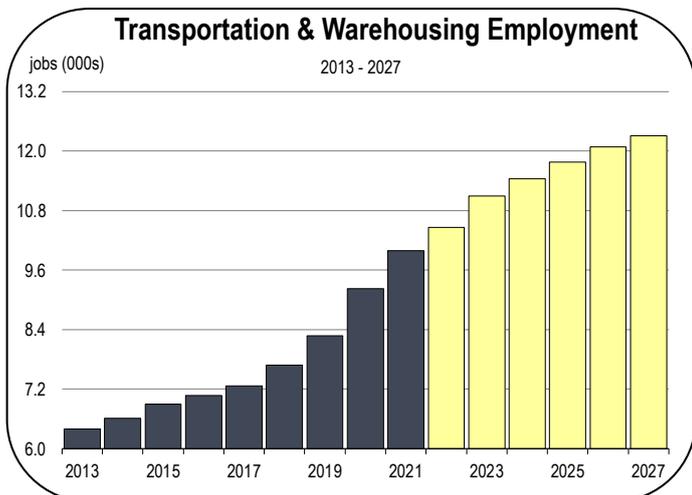
- No extraordinary growth in manufacturing is forecast over the next 5 years, though longer term, a contraction is likely due to robotics and other advances in technology.

Transportation and Warehousing Employment

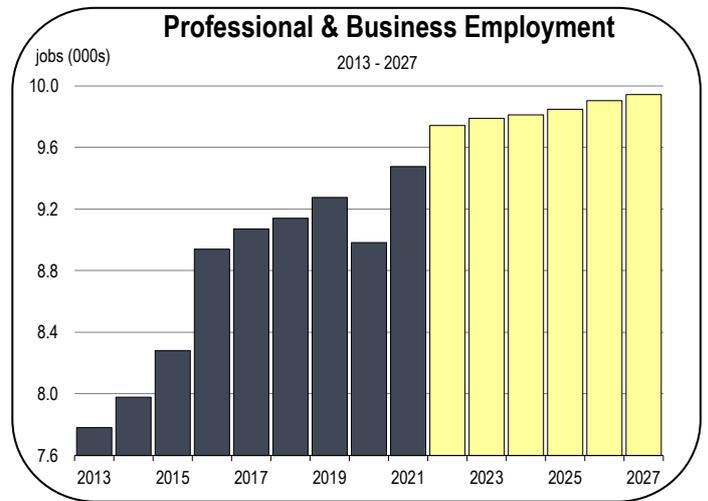
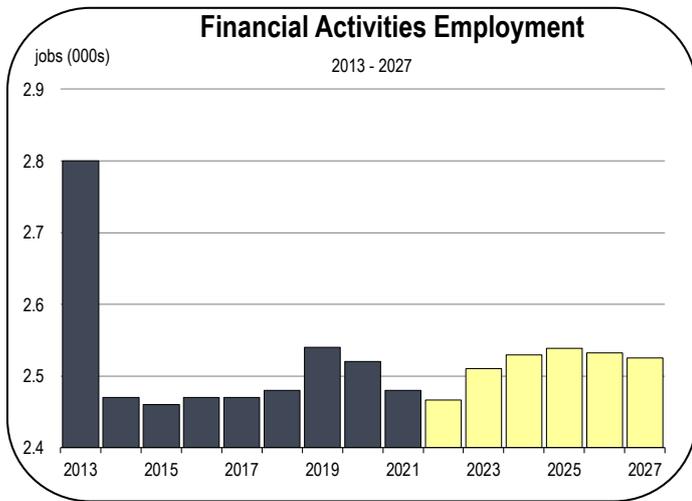
- Most transportation jobs in Yolo County are in long-distance trucking and warehousing.
- FedEx is the largest transportation company in the county. Other large employers include the Rite Aid Distribution Center and the Target Distribution center, both in Woodland. Together, they employ approximately 1,500 workers.
- This sector has benefitted from consumer substitution of online goods for products bought locally from local retail shops and stores. Warehouse, distribution centers and fulfillment center jobs have soared over the last 3 years. The industry is forecast to continue creating job opportunities over the forecast.

Retail Trade Employment

- Approximately 25 percent of all retail jobs are in grocery stores. Another third are in big-box department stores, home improvement stores, and car dealers, and clothing stores.
- Retail employment moved higher in 2022, due entirely to increased demand for home improvement goods and grocery products.
- Automation and the transition to online shopping will lead to consolidations in total industry employment at local brick-and-mortar establishments between 2023 and 2027, principally in department stores, furniture stores, electronics stores, and clothing stores. No long-term gain in jobs is forecast.



Yolo County Economic Forecast



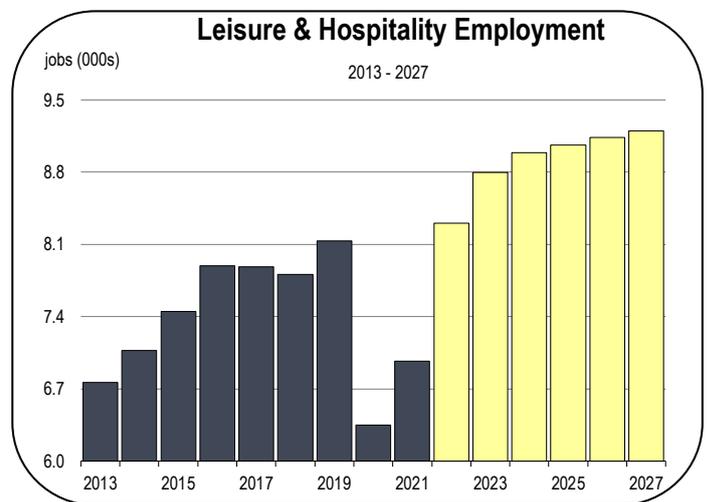
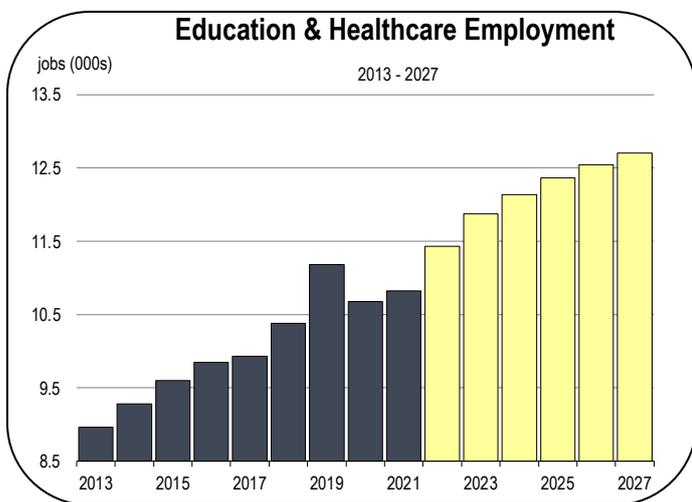
Financial Activities Employment

- The Yolo County financial activities industry is mostly comprised of real estate companies, banks, insurance firms, and equipment rental agencies.
- The largest subsector is real estate, accounting for 60 percent of all jobs in the broader sector. Over the forecast, continued consolidations in banking and insurance will be likely, but real estate will remain relatively steady due to growth in the new housing and new commercial building sectors.

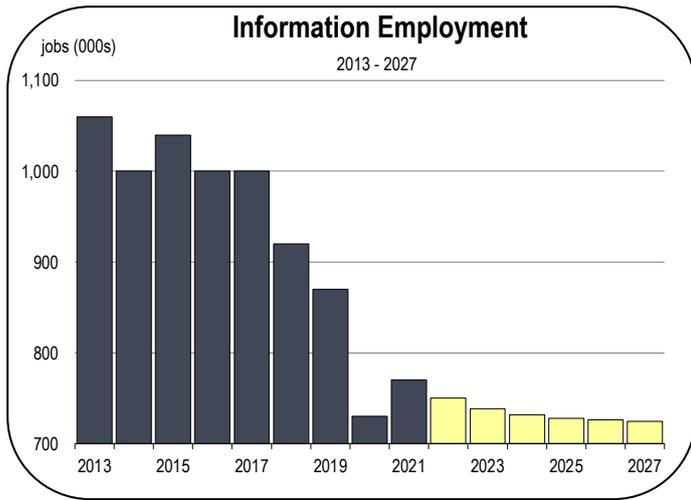
- Professional, technical, scientific and management services account for nearly 60 percent of all professional business services jobs in the County. These subsectors have been growing over time in sync with U.C. Davis and are expected to expand throughout the forecast.
- Healthcare is the largest private labor market in the County. The largest employers are Woodland Healthcare, Promega Corporation, and Sutter Davis Hospital.
- The Cache Creek Casino Resort, with 600 guest rooms, has an estimated 3,000 employees.
- The leisure and hospitality sector will recover all jobs lost in the 2020 recession, and continue to expand over the forecast, in tandem with population and U.C. Davis growth.

Professional and Business Services, Leisure, Hospitality, and Healthcare

- The leisure and hospitality sector will account for 19 percent of all new jobs in the county during 2022. Professional services will contribute 6 percent and healthcare, 13 percent.

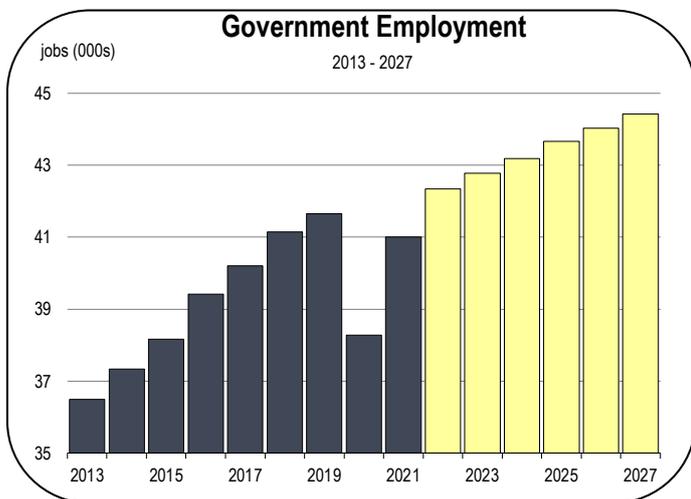


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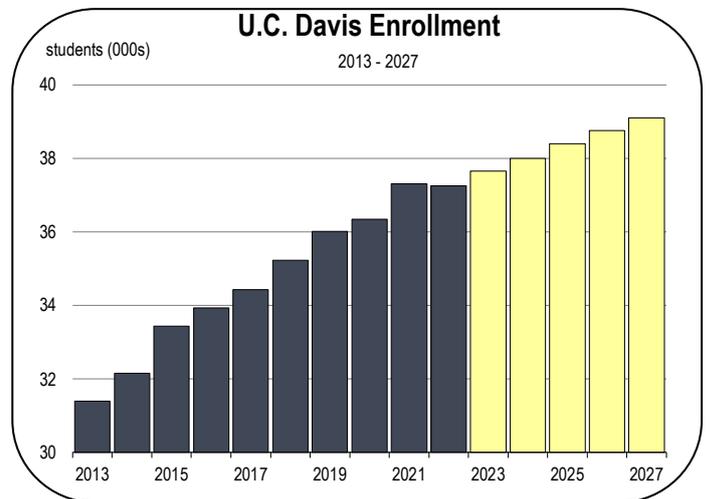
Information Employment

- In Yolo County, the information sector is largely comprised of telecommunications companies like Comcast.
- There are also a small number of jobs in movie theaters and newspapers, but in general, this sector is small and relatively inconsequential to Yolo County.
- Employment rebounded 5.5 percent in 2021, but the declining trajectory in place since 2017 is forecast to persist over the forecast.

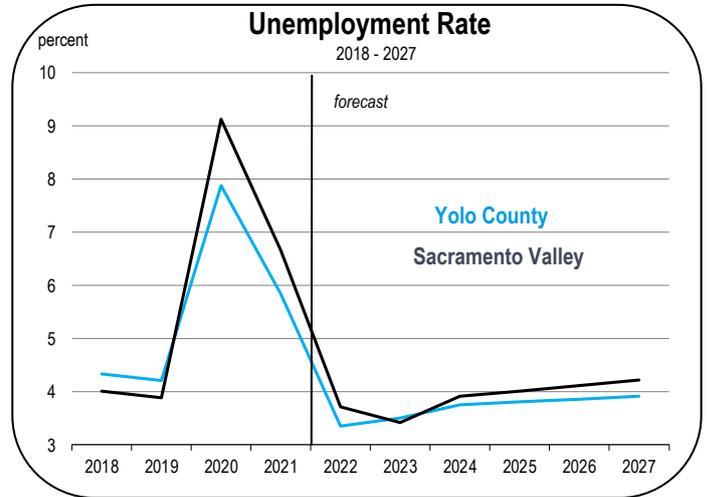
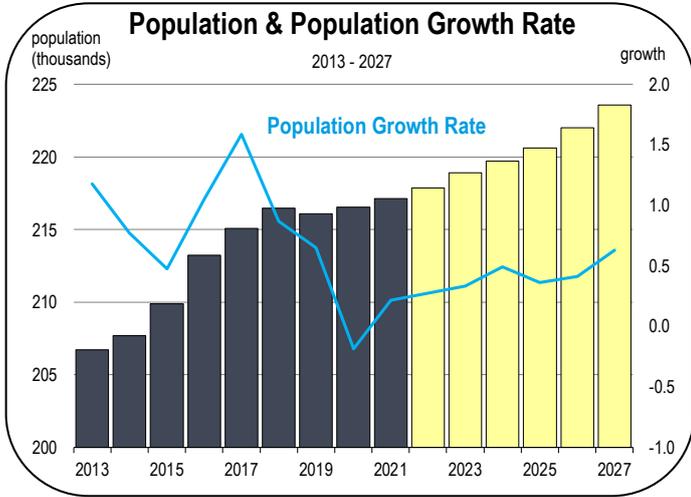


Government Employment

- The public sector accounts for 35 percent of total employment in Yolo County. It will also contribute more to the growth of employment in 2022 and 2023 than the private sector. Improvements in state and local government jobs will represent 22 percent of total job creation in 2022 and 41 percent in 2023.
- The largest employer in the county is U.C. Davis, with an estimated 24,000 staff, faculty, research and administrative personnel.
- U.C. Davis admitted a record number of new students for the Fall 2021 term, which constituted an over-enrollment based on the Long Range Development Plan.
- To correct for this, the campus admitted fewer students in the Fall of 2022, intending to enable a more gradual growth trajectory over time. Total enrollment currently stands at 37,250 students, including the most California resident undergraduates of all the UC campuses.
- The annual expectation is for a 2 percent increase in student enrollments per year.
- K-12 student enrollment in Yolo County is expected to contract over the next 5 years as a result of declining birth rates since 2010, but in-migrating populations and U.C. Davis enrollment will drive job creation in the county's public sector over the forecast.



Yolo County Economic Forecast



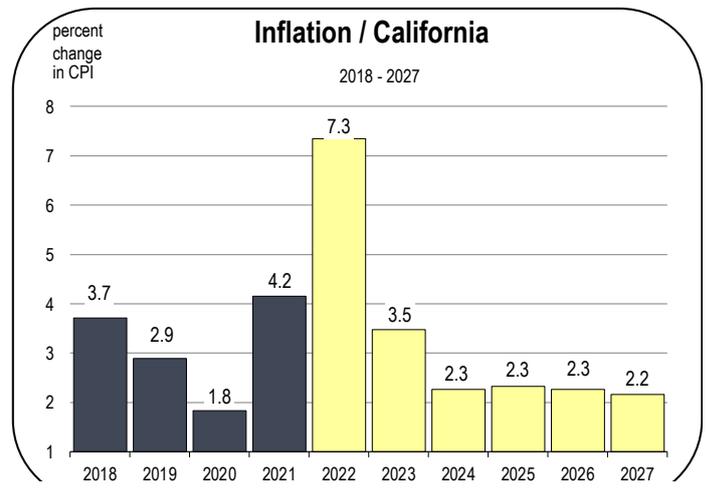
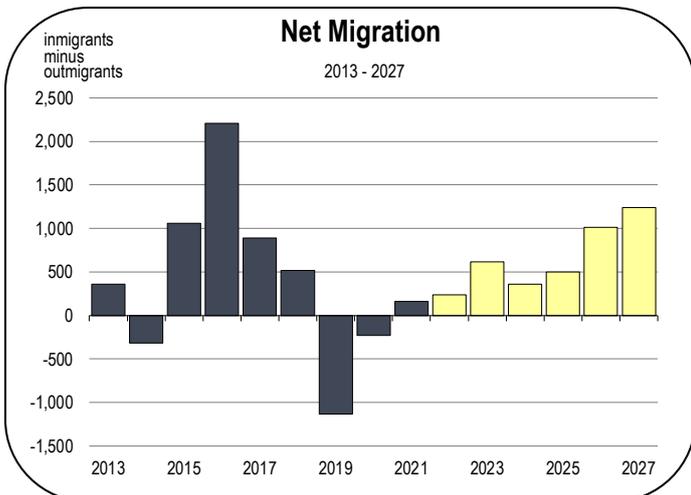
Population Growth

- Births have been in decline since 2008, and deaths have been rising over the same period. Because net in-migration has been positive for most of the last two decades, population has continued to expand every year.
- The forecast has population rising at an annual 0.3 to 0.5 percent rate over the next five years, which is slower than other parts of the Sacramento Valley but is faster than most coastal California counties.
- The county will gain nearly 6,000 residents between 2022 and 2027, principally due to net in-migration.

Unemployment and Inflation Rates

- The unemployment rate in Yolo County averaged 5.8 percent in 2021.
- An unemployment rate below 5.0 percent signifies a fully employed workforce in Yolo County.

- The unemployment rate is expected to average 3.4 percent in 2022 and 3.5 percent in 2023.
- Inflation soared in 2021 and is expected to remain elevated during 2022 and the first half of 2023.
- During 2022 and into 2023, there will be a number of factors that will contribute to higher inflation. The most prominent will be:
 - Record spending by consumers and the federal government during 2021 and 2022
 - Fractures in the global supply chain that raise the cost of production for many businesses
 - Sharp increases in the cost of housing and energy
 - Labor market recruitment challenges that force companies to raise wages

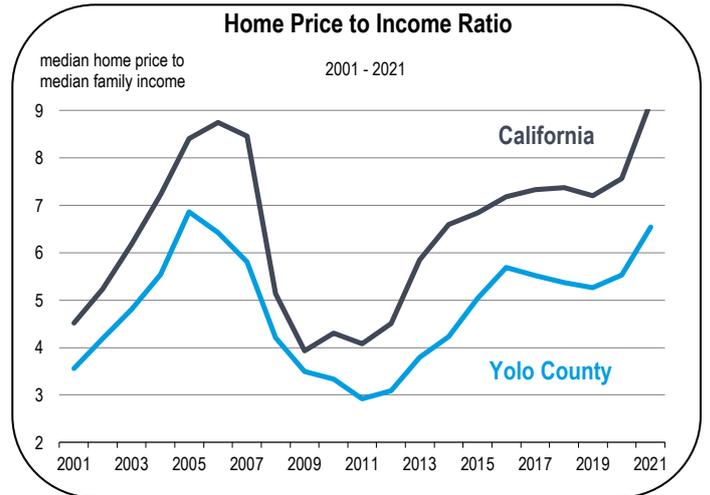


Yolo County Economic Forecast

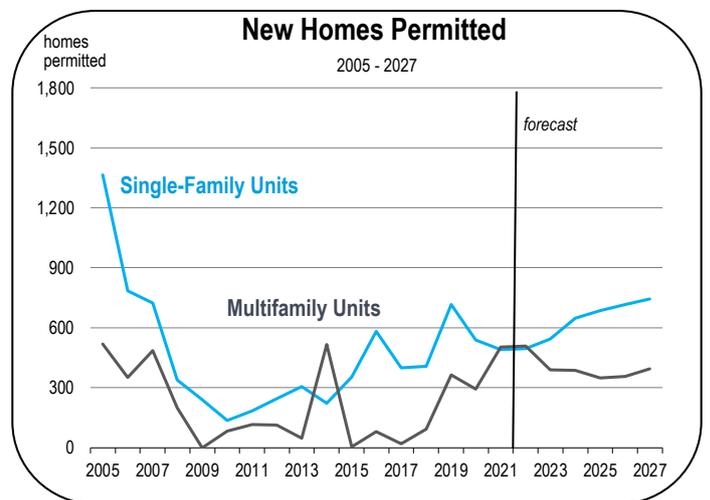
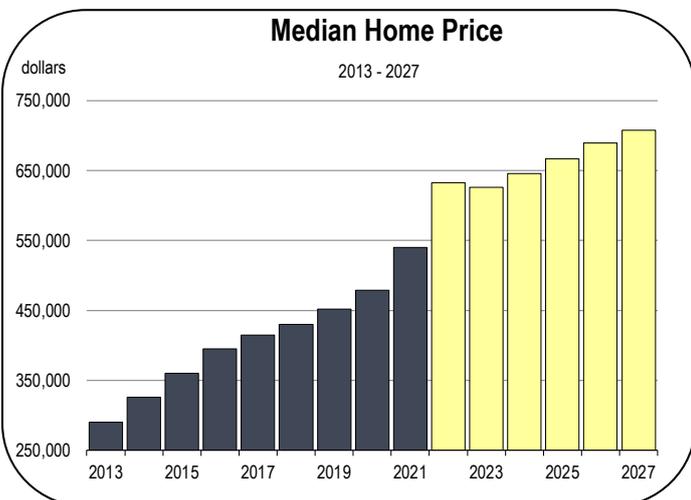
- Combined, these factors have pushed inflation to its highest rate in 40 years. Ultimately, inflation reduces the purchasing power of households and negatively impacts consumer confidence, limiting the growth potential of the economy in 2022.
- However, inflation will begin to decelerate after 2022 as supply chains and the labor force are restored, eventually falling to below 3 percent again by 2024.

Home Prices and New Housing Production

- The median home value in Yolo County was \$540,000 in 2021, or \$576,000 for single family detached homes. In 2022, the median price for single family home sales was \$628,000.
- Home prices are not expected to rise in 2023, as mortgage rates above 6 percent substantially reduce the demand for purchase housing.
- Homes in Yolo County are more affordable than homes across California, especially Coastal California.
- In Yolo County, the typical household spends less than 30 percent of its pre-tax income on mortgage payments or rent.
- Along Coastal California the typical household spends more than 35 percent of income on housing costs, and in very expensive markets like San Francisco, housing costs often account for more than 50 percent of income.



- From 2016 to 2021, an average of 780 new homes were started per year in Yolo County. Approximately 70 percent were single-family homes.
- Housing production is expected to average 960 homes per year from 2022 to 2027, consisting primarily of single-family homes.



Yolo County Economic Forecast

The City of West Sacramento has many development projects under review and approved. Standouts include:

- 50 Waterfront Place (under review)
 - 156 units
- Lewis Homes (under review)
 - 210 units
- 851 Sacramento Valley (approved)
 - 445 units
- River One (approved)
 - Two 7-story buildings and underground garage
 - 193-room hotel and condominium
- Rivers Phase Two Apartments (approved)
 - 132 units
- Riverchase (approved)
 - 22 units



The Bridge District Currently

- The Bridge District, located in The City of West Sacramento, is a 188-acre frontier with ripe development potential. It is estimated that the Bridge District can house 12.5 million square feet of residential and commercial development. This would be split into 5,210 residential units and 7.29 million square feet of commercial space.

- There are already finished apartment buildings and restaurants in the Bridge District, including a baseball stadium.

- The West is a current development project slated for the Bridge District. The West would be a 286 unit, five story mixed used residential building. The project is currently under construction.

- The city of Davis has many development projects in its pipeline. 18 projects are pending or under construction and 7 are under review.



Bridge District Vision

Yolo County Economic Forecast

Economic Indicators

2015-2021 History, 2022-2050 Forecast

	Population (people)	House- holds (thousands)	Net Migration (people)	New Homes Permitted (homes)	Registered Vehicles (thousands)	Personal Income (billions)	Taxable Retail Sales (billions)	Total Taxable Sales (billions)	Real Industrial Production (billions)	Real per Capita Income (dollars)	Unemployment Rate (percent)	Real Farm Production (millions)	Inflation Rate (percent)
2015	209,893	71.9	1,061	436	181	\$10.7	\$2.2	\$4.0	\$1.8	\$60,396	6.5	\$792	1.4
2016	213,224	72.7	2,205	602	186	\$11.0	\$2.3	\$4.0	\$1.9	\$60,008	5.9	\$772	2.3
2017	215,072	73.3	888	492	186	\$11.4	\$2.4	\$4.2	\$2.1	\$59,408	5.1	\$720	3.0
2018	216,474	74.2	515	771	189	\$11.8	\$2.7	\$4.6	\$2.2	\$59,021	4.3	\$738	3.7
2019	216,073	74.8	-1,135	1,008	193	\$12.4	\$2.7	\$4.7	\$2.4	\$60,001	4.2	\$812	2.9
2020	216,544	75.4	-228	1,042	190	\$12.8	\$2.7	\$4.6	\$2.7	\$60,800	7.9	\$698	1.8
2021	217,136	76.6	162	1,000	193	\$13.6	\$3.2	\$5.4	\$2.7	\$62,484	5.8	\$811	4.2
2022	217,856	77.5	240	887	192	\$14.8	\$3.5	\$6.1	\$2.8	\$63,963	3.4	\$753	7.3
2023	218,926	78.3	616	930	193	\$15.6	\$3.6	\$6.2	\$2.8	\$65,175	3.5	\$777	3.5
2024	219,720	79.2	361	995	193	\$16.3	\$3.7	\$6.3	\$2.9	\$66,400	3.8	\$781	2.3
2025	220,624	80.2	500	1,042	195	\$17.1	\$3.7	\$6.4	\$3.0	\$67,494	3.8	\$786	2.3
2026	222,010	81.2	1,014	1,110	196	\$17.8	\$3.8	\$6.5	\$3.1	\$68,317	3.9	\$786	2.3
2027	223,590	82.3	1,242	1,155	197	\$18.5	\$3.8	\$6.6	\$3.2	\$69,142	3.9	\$786	2.2
2028	225,229	83.4	1,344	1,176	198	\$19.2	\$3.9	\$6.7	\$3.2	\$69,764	4.0	\$786	2.2
2029	226,878	84.5	1,398	1,196	200	\$19.9	\$4.0	\$6.9	\$3.3	\$70,202	4.0	\$787	2.3
2030	228,414	85.7	1,338	1,183	201	\$20.7	\$4.1	\$7.1	\$3.3	\$70,626	4.0	\$787	2.2
2031	229,834	86.8	1,284	1,156	202	\$21.4	\$4.2	\$7.2	\$3.4	\$71,082	3.9	\$788	2.1
2032	231,089	87.9	1,210	1,118	204	\$22.0	\$4.3	\$7.4	\$3.4	\$71,336	3.9	\$788	2.3
2033	232,155	89.0	1,165	1,092	205	\$22.8	\$4.4	\$7.6	\$3.4	\$71,951	3.9	\$789	1.9
2034	233,152	90.1	1,276	1,059	207	\$23.5	\$4.5	\$7.8	\$3.5	\$72,467	3.9	\$789	2.1
2035	234,008	91.1	1,313	1,060	208	\$24.3	\$4.6	\$8.0	\$3.5	\$72,990	3.9	\$789	2.2
2036	234,731	92.1	1,305	1,042	209	\$25.1	\$4.8	\$8.3	\$3.5	\$73,245	3.9	\$790	2.6
2037	235,409	93.1	1,351	1,039	210	\$25.9	\$4.9	\$8.5	\$3.6	\$73,501	3.9	\$790	2.7
2038	236,062	94.1	1,364	1,037	212	\$26.8	\$5.1	\$8.8	\$3.6	\$73,918	3.9	\$790	2.5
2039	236,714	95.1	1,391	1,027	213	\$27.7	\$5.2	\$9.1	\$3.6	\$74,193	3.9	\$791	2.7
2040	236,813	96.1	881	1,020	215	\$28.6	\$5.4	\$9.3	\$3.6	\$74,564	3.9	\$791	2.6
2041	237,296	97.1	1,291	989	216	\$29.5	\$5.5	\$9.5	\$3.7	\$75,194	3.9	\$791	2.2
2042	237,722	98.0	1,258	993	217	\$30.4	\$5.6	\$9.8	\$3.7	\$75,793	3.9	\$791	2.1
2043	238,035	99.0	1,157	997	218	\$31.4	\$5.7	\$10.0	\$3.7	\$76,443	3.9	\$792	2.0
2044	238,296	100.0	1,140	975	218	\$32.3	\$5.9	\$10.2	\$3.8	\$77,189	3.9	\$792	1.8
2045	238,418	100.9	1,027	963	219	\$33.2	\$6.0	\$10.5	\$3.8	\$77,830	3.9	\$792	1.9
2046	238,420	101.8	938	949	220	\$34.1	\$6.1	\$10.7	\$3.8	\$78,401	3.9	\$793	2.0
2047	238,431	102.8	959	927	220	\$35.0	\$6.3	\$10.9	\$3.8	\$78,787	3.9	\$793	2.2
2048	238,417	103.7	948	913	221	\$36.0	\$6.4	\$11.2	\$3.8	\$79,121	3.9	\$793	2.3
2049	238,354	104.5	914	895	221	\$36.9	\$6.6	\$11.5	\$3.9	\$79,666	3.9	\$793	2.0
2050	238,206	105.4	855	872	222	\$37.8	\$6.7	\$11.8	\$3.9	\$79,974	3.9	\$794	2.1

Employment Sectors

2015-2021 History, 2022-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	(thousands of jobs)											
2015	104.7	5.8	3.5	6.5	6.9	12.7	2.5	8.3	1.0	9.6	7.5	38.2
2016	107.9	6.4	3.6	5.8	7.1	13.0	2.5	8.9	1.0	9.9	7.9	39.4
2017	109.0	5.9	3.6	6.3	7.3	13.1	2.5	9.1	1.0	9.9	7.9	40.2
2018	111.6	5.8	3.8	6.7	7.7	13.3	2.5	9.1	0.9	10.4	7.8	41.1
2019	114.7	5.6	4.4	6.8	8.3	13.5	2.5	9.3	0.9	11.2	8.1	41.7
2020	108.1	5.3	4.6	6.5	9.2	12.8	2.5	9.0	0.7	10.7	6.4	38.3
2021	114.1	5.3	5.2	6.7	10.0	13.1	2.5	9.5	0.8	10.8	7.0	41.0
2022	118.4	5.5	5.4	6.7	10.5	13.3	2.5	9.7	0.7	11.4	7.9	42.3
2023	121.1	5.6	5.5	6.7	11.1	13.2	2.5	9.8	0.7	11.9	8.8	42.8
2024	122.5	5.6	5.6	6.8	11.4	13.2	2.5	9.8	0.7	12.1	9.0	43.2
2025	123.7	5.6	5.6	6.7	11.8	13.2	2.5	9.8	0.7	12.4	9.1	43.7
2026	124.7	5.6	5.7	6.8	12.1	13.1	2.5	9.9	0.7	12.5	9.1	44.0
2027	125.6	5.6	5.7	6.7	12.3	13.1	2.5	9.9	0.7	12.7	9.2	44.4
2028	126.4	5.6	5.7	6.7	12.4	13.2	2.5	10.0	0.7	12.9	9.3	44.7
2029	127.1	5.6	5.7	6.7	12.6	13.1	2.5	10.0	0.7	13.0	9.4	45.1
2030	127.7	5.7	5.7	6.7	12.7	13.1	2.5	10.0	0.7	13.2	9.5	45.4
2031	128.3	5.7	5.7	6.7	12.8	13.2	2.5	10.0	0.7	13.3	9.5	45.5
2032	128.8	5.7	5.7	6.7	12.9	13.2	2.5	10.0	0.7	13.5	9.6	45.7
2033	129.2	5.7	5.6	6.7	13.0	13.2	2.5	10.1	0.7	13.6	9.7	45.8
2034	129.5	5.7	5.6	6.7	13.0	13.2	2.5	10.1	0.7	13.8	9.8	45.9
2035	129.9	5.7	5.6	6.7	13.1	13.2	2.5	10.1	0.7	13.9	9.9	45.9
2036	130.2	5.7	5.6	6.6	13.1	13.2	2.5	10.1	0.7	14.0	9.9	46.0
2037	130.6	5.7	5.5	6.6	13.2	13.2	2.5	10.1	0.7	14.2	10.0	46.0
2038	130.9	5.7	5.5	6.6	13.2	13.2	2.5	10.1	0.7	14.3	10.1	46.1
2039	131.3	5.7	5.5	6.6	13.3	13.2	2.5	10.1	0.7	14.4	10.2	46.2
2040	131.6	5.7	5.5	6.6	13.3	13.2	2.5	10.1	0.7	14.5	10.3	46.2
2041	131.9	5.7	5.5	6.6	13.4	13.2	2.5	10.2	0.7	14.7	10.3	46.4
2042	132.3	5.7	5.5	6.6	13.4	13.2	2.5	10.2	0.7	14.8	10.4	46.5
2043	132.6	5.7	5.5	6.6	13.4	13.2	2.5	10.2	0.7	14.9	10.5	46.6
2044	132.9	5.7	5.5	6.6	13.4	13.2	2.5	10.2	0.7	15.0	10.6	46.6
2045	133.1	5.7	5.5	6.6	13.5	13.1	2.5	10.2	0.7	15.1	10.7	46.7
2046	133.4	5.7	5.4	6.6	13.5	13.1	2.5	10.2	0.7	15.2	10.7	46.8
2047	133.6	5.7	5.4	6.6	13.5	13.1	2.5	10.2	0.7	15.3	10.8	46.8
2048	133.9	5.7	5.4	6.6	13.5	13.1	2.5	10.2	0.7	15.4	10.9	46.9
2049	134.1	5.7	5.4	6.6	13.6	13.0	2.5	10.3	0.7	15.5	11.0	47.0
2050	134.3	5.7	5.3	6.6	13.6	13.0	2.5	10.3	0.7	15.6	11.1	47.0

Yolo County Economic Forecast

Socioeconomic Indicators

